LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
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September 11, 2014

TO:         Each Supervisor

FROM:       Marvin J. Southard, D.S.W.
            Director

SUBJECT:    STATUS REPORT ON THE IMPLEMENTATION OF THE INTEGRATED
            BEHAVIORAL HEALTH INFORMATION SYSTEM

On October 18, 2011, your Board approved the Integrated Behavioral Health
Information System (IBHIS or System) Agreement with Netsmart Technologies, Inc.
(Netsmart), to provide a product that will enable the Department of Mental Health (DMH)
to meet the federal and State mandates for an Electronic Health Record (EHR) and
meet County's Strategic Plan goal to achieve a seamless electronic exchange of
selected health and human services data across County providers.  In order to provide
you with a clear picture of the current state of the project, attached is the status report
for the months of June and July 2014.

If you have any questions or need additional information, please call me at
(213) 738-4601, or your staff may contact Robert Greenless, Ph.D., DMH Chief
Information Officer, at (213) 251-6481.

MJS:RK:MM:RG

Attachment

c:     Mental Health Deputies
       Chief Executive Office
       Executive Office, Board of Supervisors
       County Counsel
       Contracts Development and Administration Division, DMH

**REVIEWED BY:**

_____                    9/24/14
Richard Sanchez                            Date
Chief Information Officer

# COUNTY OF LOS ANGELES
# DEPARTMENT OF MENTAL HEALTH
# CHIEF INFORMATION OFFICE BUREAU
## PROJECT STATUS REPORT

## A. General Information

**Project Title:**  Integrated Behavioral Health Information System (IBHIS)

**Prepared by:**  Adrina Moreno - IBHIS Project Manager    **Date Prepared:**  September 11, 2014

**Reporting Period:**    **From:**  June 1, 2014    **To:**  July 31, 2014

**Estimated Completion Date:**  June 30, 2015

**Project is:**    ☐ **On Schedule**    ☐ **Ahead of Schedule**    ☒ **Behind Schedule**    ☐ **Completed**

*If the project is Behind Schedule, explain why, (e.g., changes to scope, constraints outside project team's control, vendor delays, resource constraints, business processes, and major deliverables not completed). Include the impact of the delay and plans for re-alignment.*

- See Section B (Current Activity Status) for detailed explanation.

## B. Current Activity Status

*Provide a high level summary of current activities. Express factual description of current activities in a bulleted list.*

- Regular meetings between DMH and Netsmart continue to focus on resolving outstanding issues related to System and network performance, and claims processing in production. Final System Acceptance was not achieved on June 19, 2014, as planned because the criteria for Final System Acceptance were not met. The new proposed date is December 23, 2014, pursuant to meeting the requirements of Exhibit D (Service Level Requirements) of the Agreement.
- Seventy-seven (77) Directly Operated (DO) Providers and four (4) Legal Entity (LE) Providers are in Production Use.  The volume of Medi-Cal claims for DO Providers continues to be below usual volumes for the same period for these Providers due to the learning curve associated with the new System.
- The schedule for rolling out the Contract Providers (CPs) who have not yet gone into IBHIS Production Use has been moved from a single LE roll-out event in July 2014 to a roll-out every two (2) weeks from August – December 2014. Subsequently, the roll-out has been moved to not sooner than September 2014 – January 2015.
- Continue implementing IBHIS in DO sites.  Five (5) roll-outs are completed.  Five (5) roll-outs remain for a total of ten (10) roll-outs.  The remaining roll-out schedule is extended through June 2015 in recognition of limited resources required to train and support DO end-users at the same time as the LEs transition to IBHIS.
- Project team and CBO staff are returning to roll-out Nos. 1 through 5 sites to assist with problem identification and error correction, on-the-spot training and coaching, and workflow improvement.
- Netsmart developed 58 of 71 requested reports.  Thirteen (13) remaining reports are currently in development.
- DMH has worked with Netsmart to develop and demonstrate a solution for IBHIS integration with the Americans with Disabilities Act (ADA) compliant software to assist visually impaired employees. The solution is in test with one (1) User.
- PD/PM Status Meetings continue to resolve contractual, scheduling, and project issues and risks.
- Monitor and manage software modification change submissions and approvals.  There are fourteen (14) software modification Change Notices pending execution for development.  Six (6) of these requests directly impact County's ability to onboard additional Contract Providers and actual Software development could take several weeks or months to complete and validate before production use of the software is available.
- Action Item Meetings with Netsmart are held to review progress on project tasks and open issues

requiring discussion and decisions to keep project tasks moving forward.
- Continue implementation and testing activities with LEs.
- Continue implementation activities for DO end User training, site readiness preparations and roll-out support tasks for sites beginning Production Use on IBHIS.

## C. Change Requests
*List any Change Control Requests identified during this reporting period.*

| Change Order # | Description | Effective Date |
|---|---|---|
| DMH 1 | Delay of final date for Detailed Work Plan to 2/3/12 | 1/11/12 |
| DMH 3 | Election of the Order Connect Application Software | 6/29/12 |
| DMH 4 | Delay of Deliverable 3.1.2 (Provide Dedicated Network)<br><br>Change of Netsmart Project Director | 11/9/12 |
| DMH 5 | Acquires Other Professional Services for an Integration Professional | 12/21/12 |
| DMH 7 | Acquires Other Professional Services to perform an assessment and develop Specifications for Custom Programming Modifications to:<br><br>• Client Web Service<br>• Unique Submitter ID<br>• Second Co-Practitioner<br>• Control Fees | 2/21/13 |
| DMH 8 | Acquires other professional Services to establish the CBO | 3/29/13 |
| DMH 9 | Custom Development:<br><br>• Budget Tracking Account Setup<br>• Capture, validate and store EBP codes from inbound 837P and 837I EDI claims for reporting | 4/2/13 |
| DMH 10 | Acquires other professional Services to provide Custom Programming Modifications for:<br><br>• Client Web Services | 6/28/13 |
| DMH 11 | Other Professional Services to develop Specifications for:<br><br>• Filtered Program List for Modeling – CR# 13<br>• Extended Dictionary Object or Solution – CR# 11<br>• Filtered Program List for Claiming – CR# 12 | 8/15/13 |

| Change Order # | Description | Effective Date |
|---|---|---|
| DMH 12 | Other Professional Services to develop Specifications for:<br><br>• Automated 835 Processing in Avatar CalPM – CR# 14<br><br>NOTE: [Cost of CN No. 12 will be shared between Los Angeles County and San Francisco County] | 8/16/13 |
| DMH 13 | Other Professional Services to provide Custom Programming Modifications for:<br><br>• 2nd Co-Practitioner – CR# 3 | 8/16/13 |
| DMH 14 | Election of 40 additional Topaz Digital Signature Pads | 8/16/13 |
| DMH 15 | Increase dollar amount for Other Professional Services for an:<br><br>• Integration Professional | 8/16/13 |
| DMH 16 | Other Professional Services to provide Custom Programming Modifications for:<br><br>• Capture, validate, and store EBP codes from inbound 837P and 837I EDI claims for reporting – CR# 10 | 8/16/13 |
| DMH 17 | Other Professional Services to provide Custom Programming Modifications for:<br><br>• Control Fees based on Funding Source – CR# 4 | 8/16/13 |
| DMH 18 | Amend name of Third Party Software vendor for document imaging to:<br><br>• Perceptive Software (formerly known as "Kofax Capture") | 9/27/13 |
| DMH 19 | Other Professional Services to provide transitional services:<br><br>• CBO/PSO | 11/20/13 |
| DMH 20 | Other Professional Services to provide transitional services:<br><br>• Transfer the Emergency Indicator from an MS) 837 to the Service Line Emergency Indicator field in CalPM | 11/20/13 |

| Change Order # | Description | Effective Date |
|---|---|---|
| DMH 21 | Other Professional Services to provide custom software modifications for:<br><br>• DMH Practitioner Program Filtering<br>• Extended Dictionary Object or Solution<br>• Filtered Program List for Claiming | 11/20/13 |
| DMH 22 | Other Professional Services to provide additional transitional services for:<br><br>• CBO/PSO | 12/27/13 |
| DMH 23 | Other Professional Services to develop Specifications for:<br><br>• Active and Inactive Date for Adjustment Reason Code – CR# 5<br>• Correct Service Location Address for Billing – CR# 9<br>• UMDAP Fee Schedule in Compliance with State Rules – CR# 20<br><br>NOTE: [No Cost Change Notice] | 2/5/14 |
| DMH 24 | Other Professional Services to provide Temporary Staffing to Support IBHIS Roll-Outs | 3/3/14 |
| DMH 25 | Other Professional Services to provide additional functionality in ProviderConnect | 4/17/14 |
| DMH 26 | Other Professional Services to provide Custom Programming Modifications for:<br><br>• Balance Forward Processing and Advance Payment Reconciliation Utilizing PLB – CR 21<br>• Validate MHS Procedure Codes in Conjunction with Day Treatment Service Codes – CR 26<br>• Synchronize Update Practitioner and Performing Provider Data – CR 27<br>• User Access Form – CR 28<br>• MSO to CalPM Mapping: Revenue Code, DTX and Residential – CR 29<br>• Automatically Process Void and Replacement Claims from MSO – CR 30 | 5/12/14 |
| DMH 27 | Other Professional Services to provide Custom Programming Modifications for CN No. 26 | 7/10/14 |
| DMH 28 | Provide Temporary Claims Certification Staffing to Support IBHIS Roll-Outs | 7/10/14 |

## D. Significant Accomplishments for Current Period

*Provide a summary of the significant accomplishments and project deliverables during the reporting period. The list should include, primarily, major activities, milestones and key deliverables in a bulleted list.*

- DMH completed five (5) rollouts of IBHIS for 77 DO sites.
- To date, 37 claim files have been created, three (3) have not been forwarded to the State yet. For DO claims a total of $5 million has been billed, $353,000 has been approved, $344,000 has been denied, and $4.3 million is pending State adjudication. For LEs a total of $4.4 million has been billed, $17,000 approved, $972,000 denied, and $3.4 million is pending adjudication from the State. The low dollar amount of approved claims should not lead to the assumption of an IBHIS problem; the State has been exceptionally slow in responding to approved claims going back to April 2014.
- Four (4) LE Contract Providers are in Production Use of IBHIS.DMH reported approximately two-hundred and sixteen (216) deficiencies for May, June and July, four (4) of which impacted normal business operations or caused substantial inconsistencies during Production Use of the software. One hundred forty-eight (148) deficiencies were resolved in this same period, including the four (4) critical deficiencies. There were sixty-eight (68) remaining deficiencies to be resolved as of this reporting period. DMH and Netsmart continue to review and resolve outstanding deficiencies.

## E. Planned Activities for Next Period

*Provide a summary of the planned major activities, milestones and project deliverables to be accomplished during the next reporting period. Express your descriptions in a bulleted list*

- Review and resolve Pilot 1 Test and Pilot 2 Test outcomes with Netsmart. Resolve outstanding System operational issues required as a precursor to Final System Acceptance.
- Continue to work with County CIO office to prepare a State of Work to conduct an independent external assessment of the IBHIS software performance issues.
- Prepare for the next DO roll-out.
- DMH will finalize testing the ADA software integration with IBHIS software once delivered by Netsmart.
- Conduct PD/PM Status Meetings to resolve contractual, scheduling and project issues, and risks.
- Conduct Action Item Meetings with Netsmart to review ongoing progress on project tasks and any other open issue which requires discussion and decision to keep project tasks moving forward.
- Review submitted change requests in accordance with IBHIS Change Control Plan.
- Monitor and manage software modification change submissions and approvals.
- Continue implementation activities and meetings for testing with LEs.
- Continue implementation and support activities and meetings for DO end-user training, site readiness preparations and roll-out support tasks.
- Super Users train DMH end-users for each roll-out one month in advance of their use of IBHIS.

## F. Critical Issues

*List any Critical or High Priority Issues impacting the project. Issues are events that currently cause a problem moving forward and have an impact to the project schedule, resources or quality of the end deliverable.*

- **Claiming and Cash Flow Delay** – Despite the fact that DMH has been sending the claim files, DMH has not received any 835 remittance advice transactions from the State for approved claims since April 2014. As of July 30, 2014, the State supplied DMH with a warrant for $89.7 million in FFP Medi-Cal. No accompanying 835 was included, so until DMH receives the 835 file, it will be difficult to verify which claims are IBHIS-related. This presents a serious cash flow problem for DMH. The CEO, County Counsel and Auditor Controller have been informed of the situation.

- **System Performance Issues** – As the number of Users on IBHIS increases, reports of System performance problems increase as well. DMH, ISD, and Netsmart are all actively engaged in trying to understand the source of the problems so they can be resolved. In a complex system like the IBHIS, there may be more than one cause for performance problems, and more than one solution may be required. Netsmart has made some application coding changes that have improved stability and reliability. Within the County, ISD increased bandwidth at the Long Beach Clinic that was having the

most performance problems and it has shown the most improvement. System performance will remain an area of focus until contractual obligations are met.

- **Labor Intensive and Error Prone Claims Processing** – Experience with claims processing is that it is labor intensive and somewhat error prone. DMH is working with Netsmart to make System modifications that will streamline claims processing and establish edits to eliminate some of the more common data errors. DMH is choosing to not increase the volume of claims in the System until the efficiency of the claiming process and System performance are improved.

- **Delay in the Development of CBO** – The Board approved the development and requested positions for CBO and PSO on March 11, 2014 to support the roll-out of IBHIS and new business requirements mandated under the Affordable Care Act (ACA). Hiring has begun. Twenty-seven (27) of the fifty-one (51) positions are currently filled and five (5) candidates are being processed for hire. In the interim, Netsmart consultant services have been retained to bridge this staffing gap and to provide ongoing transitional support to the CBO through calendar year 2014. Currently, this staff augmentation has reached 34% of the existing Pool Dollars allocated to the IBHIS Project.

- **Provisioning and Testing Resources** – CP provisioning and testing resources remain a significant constraint on certifying CPs for claiming in IBHIS and going into production with their electronic claims. DMH continues to reassign resources where possible to this priority work, but that has so far been insufficient to meet the growing need. DMH is working with Netsmart to bring in additional resources from Netsmart to assist in meeting this short-term resource demand. The schedule for rolling out the CPs who have not yet gone into IBHIS Production Use has been moved from a single go-live event in July to a go-live spread out over August – December 2014. Subsequently, go-lives have been moved to not sooner than September 2014 – January 2015. This was necessitated by both the DMH resource constraints and CPs being behind schedule in their roll-out activities.

- **Time Constraint in Completing Overlapping IBHIS Implementation Tasks with Existing Resources** – The remaining roll-out schedule is extended through March 2015 for DO sites both in recognition of the limited resources available to train and support both DO and LEs and to allow the support team time to return to existing sites to review workflow, provide refresher training, and assist with error correction to improve claims processing.

- **User Acceptance of Workflow and Processes Required to Operate and Maintain DMH's EHR** – Implementing an EHR in an environment which has largely operated manually is a large and complex undertaking, requiring additional support resources, training and individual attention to resolve System utilization errors. Existing project resources must be pulled from ongoing site preparation and roll-out activities in order to go back to sites that are already in Production Use on IBHIS in order to provide the much needed one-on-one attention.

## G. Risk Update

*Include any critical or high risk updates. Risks are events that might cause problems, at a future date, with the project schedule, resources or quality of the end deliverable.*

**Explanation of Categories:**
- Probability (High): Most certainly or very likely to occur.
- Impact (High): Significant impact to project scope, cost or schedule which is likely to threaten and undermine project completion.
- Timeframe (Short): A three (3) month or less estimation as to how long the risk will be relevant.
- Response (Mitigate, Watch, and Accept): Resolve through mitigation, watch to monitor development, or accept and develop a contingency plan.

| ID | Risk<br>(Describe the risk in simple terms, provide details) | Probability (High) | Impact (High) | Timeframe (Short) | Response (Mitigate, Watch, Accept) |
|---|---|---|---|---|---|
| 48 | **Title** – Contract Providers' Readiness to Transition to EDI in IBHIS<br><br>**Description** – Contract Providers have been slow to engage in testing their electronic interfaces to IBHIS in preparation for their transition to EDI using IBHIS<br><br>**Status** – DMH continues to meet with Contract Providers on a monthly basis to answer questions, resolve issues and encourage them to follow the implementation schedule. | ☒ | ☒ | ☒ | Accept Risk |
| 49 | **Title** – Change Requests Development Timeline may conflict with LE Go-Live Dates<br><br>**Description** – There are approximately sixteen (16) System software modifications requiring development to address either DMH's volume of claims processing or limitations in System functionality which must be in Production Use prior to bringing on additional Contract Providers onto IBHIS. These Change Requests are at various stages of processing and will require specifications development, software development, software testing and regression testing before Production Use can begin. Completing these processes may impact the Contract Provider EDI Transition timeline.<br><br>**Status** - DMH continues to meet and work with Netsmart to move its change requests through the development life cycle as efficiently as possible and continues to monitor Contract Provider progression in EDI transition. | ☒ | ☒ | ☒ | Accept Risk |